

Panel Discussion: E-Government and Citizen-Centered Government Round Table

A State Perspective on IT: Imagine PA – Don Edmiston, Project Director

Governor Ridge made reinventing how Pennsylvania did business, empowerment, and accountability priorities for State government. He began Imagine PA, the largest government enterprise resource planning (ERP) program and the third largest ERP project. Imagine PA began with a Declaration of Transformation. The Governor recognized the importance of putting tools in the hands of employees so they could better serve citizens and do it more efficiently. He recognized the need for an integrated approach to re-designing business and financial systems. Because of the many different departments and their diversity an integrated project team was essential to design Imagine PA. Training is essential and is one of the limiting factors to deploying the systems – people must be trained first. Although it is still being implemented, the State is already realizing cost savings and efficiencies. Travel payments to employees take far less time and the cost of processing purchase orders has gone from \$75 to \$4. The State will be able to attract more business by making it easier to do business with the state. Citizens will get better service because information and resources can be identified more quickly to solve their problem or provide them service. Mr. Edmiston's motto for the State is to "have customers on line not in line." The State is offering to partner with the federal government on e-grants using the ERP experience with Imagine PA. Imagine PA is setting standards for state ERPs and provides a model for the federal government. Further information on Imagine PA from the web site follows.

During the past few years, a number of state administrative offices requested upgrades to computer systems used for managing accounting, budgeting, human resources, payroll and procurement functions. Rather than address these requests individually, it was determined that significant advantages could be gained by responding in a more coordinated fashion with a view to long-range benefits. This idea became Imagine PA. The Commonwealth is excited about Imagine PA and is confident that the successful business process transformation will continue to help Pennsylvania become a world-class government.

Mission: To harness the bold and innovative Business Practices, Employee Initiative, and Technology that will transform state government into a more unified and customer-focused, world-class organization.

Goal: To streamline and standardize key business processes in accounting, budgeting, payroll, human resources and procurement. Aimed at redesigning administrative functions and incorporating state-of-the art technology, Imagine PA is Pennsylvania's key to improving public service delivery.

Imagine PA is Pennsylvania's pace setting project to streamline and standardize key business processes in: Accounting, Budgeting, Payroll, Human Resources, Procurement. The Commonwealth chose mySAP.com Enterprise Resource Planning (ERP) software, which incorporates best business practices from around the world, to improve its internal business operations. mySAP.com is the ERP software package the Commonwealth will use to integrate these processes onto a single computer system. Using software developed for giants such as General Motors and Nestle, the new system will replace the state's aging computer systems – some of which were designed during the 1980s.

Imagine PA is a technological upgrade on a scale never before tried in the public sector. The project will cost at least \$200 million and maintain the number of state employees. The project is intended to overhaul the way 80,000 employees in the state's executive branch do business. And "business" is the key word.

Functional Impacts: Imagine PA is taking a comprehensive approach to redesigning the current administrative functions in accounting, budgeting, human resources, payroll and procurement, and replacing the current computer systems with state-of-the-art software. A combination of best business practices and SAP functionality will enable 53 of the Commonwealth's agencies, departments, authorities, boards, and commissions to improve service to their customers. Imagine PA will not affect the Auditor General's Office, Legislature, State Treasurer, and the Higher Education Assistance Agency. For those entities that it will impact, Imagine PA will allow them to operate more efficiently by quickly obtaining and sharing more accurate and essential information.

Benefits: The Imagine PA project is expected to eventually touch every Commonwealth employee. Whether you will be among the employees directly affected or just interacting with the SAP software a few times a year, it's important for all employees to understand the impact of this project. The Commonwealth will implement SAP software statewide over the next three years and is expected to finish by January 2004. This will change the way some people do their work, removing obstacles such as:

- Dealing with lots of paper
- Spending hours on the phone trying to get information from others
- Having to get numerous approvals
- Reconciling data from many sources

The benefits in these specific functional areas will speed transaction processing, provide more accurate data, and reduce or eliminate redundancy.

The Imagine PA Project began in March, 2001 and will be conducted in four phases (waves) concluding in January 2004. Budget functionality will be rolled out to all 53 agencies by October 2002. The second phase of the Enterprise Resource Planning (ERP) implementation known as Imagine PA, will be on line October 1, 2002 for the following agencies for Budget Execution, Accounting, Procurement, Work Flow, Business Warehouse, and Travel Planning:

- Department of Economic and Community Development
- Department of Conservation and Natural Resources
- Department of Corrections
- Department of Education
- Department of Revenue
- Municipal Retirement
- Public School Employee Retirement System
- State Employee Retirement System
- Civil Service Commission
- Fish and Boat Commission
- Game Commission

The Imagine PA project team created on-line training and communication tools. The on-line newsletter provides updates and information on implementation phases and time frames as well as training reminders. The Imagine PA web page gives background and contacts and project organization information.

So far, the state has spent nearly \$97 million on Imagine PA, with another \$68.8 million earmarked for this year. "It's an investment," said Mr. Edmiston. "What we spend now will save us a lot of money down the road." A full cost-benefit analysis of the project is still in the works, but Mr. Edmiston said the system will last decades and eliminate duplicative procedures. And once the switch is completed, the state will be able to perform maintenance and upgrades without outside help. Plus, he said, it will abolish most of the state's need for paper. From reimbursing travel expenses to crafting the state's budget to expediting vendors' applications to granting contracts, Imagine PA is supposed to digitize a three-centuries-old modus operandi.